



July 24, 2006

**NOTICE OF LOWEST REPORTED
LAWFUL RETAIL PRICE FOR MILK
For the Month of August 2006**

Existing law prohibits a retail store from selling milk at a price that is below its cost. "Cost" is defined as the invoice or replacement cost, plus the cost of selling the milk. However, a retail store may meet a lower lawful price of a competitor, even if that competitor's price is below its cost. Listed below are the lowest reported lawful prices for Northern and Southern California for the current month. Adequate documentation has been provided to the Department that these retail prices are in compliance with the sales-below-cost statutes.

If you have cost documentation that would justify a lower retail price than listed below, please feel free to contact Mary Riley at (916) 341-5988 for information on submitting the documentation for the Department's review. This information is also available on our toll-free number: 1-800-503-3490 and on our website, at www.cdfa.ca.gov/dairy/retail_prices_main.html. Historic pricing information is also available on our website, at the same site as stated above.

NORTHERN CALIFORNIA

Two-Pack Whole Milk	\$4.19	Single Gallon	\$2.10
Two-Pack Reduced Fat	\$3.99	Single Gallon	\$2.00
Two-Pack Lowfat	\$3.99	Single Gallon	\$2.00
Two-Pack Nonfat	\$3.39	Single Gallon	\$1.70

SOUTHERN CALIFORNIA

Two-Pack Whole Milk	\$3.99	Single Gallon	\$2.00
Two-Pack Reduced Fat	\$3.89	Single Gallon	\$1.95
Two-Pack Lowfat	\$3.89	Single Gallon	\$1.95
Two-Pack Nonfat	\$3.25	Single Gallon	\$1.63

